AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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WHOLE NO. 1186 — WILLIAM GREEN, President — WASHINGTON, D. C., SATURDAY, JANUARY 6, 1934 — FRANK MORRISSON, Secretary — VOL. 24, No 1

Liberty is given by nature even to mute animals.—Tacitus.

Labor Leader, 17, 1934

Deposit Insurance Wins

Walter J. Cummings, chairman of the Federal Deposit Insurance Corporation, reported to President Roosevelt on January 1 that 13,423 banks out of 13,564 had been found eligible for the new deposit insurance which became effective on that day. Of the 141 banks found ineligible, Mr. Cummings predicted that a number of them might be insured later.

Under the new law depositors with sums up to $2,500 will be insured against loss until July 1, when the insurable amount will be raised to $10,000. The insurance fund is created by a subscription of $150,000,000 from the Federal Government to the capital stock of the Federal Deposit Insurance Corporation, plus a subscription of $140,000,000 from the Federal Reserve Banks, and certain assessments levied on the insured banks.

The insurance law will banish the fear of the depositors for the safety of their money, and will do much to restore faith in our banking institutions. It was vigorously opposed by the organized bankers when this bill was under consideration by the special session of Congress last summer, and their forces are arrayed to weaken the law during the present session of Congress.

The enactment of the insurance law in all its legislative stages had the united support of the American Federation of Labor. The Federation's efforts will now be mobilized to retain the measure as a necessary law to protect depositors from both dishonest and inefficient bankers.

BENEFITS OF ORGANIZED LABOR SINCE ROMAN REPUBLIC STRESSED BY FREY

Washington.—The advantages which working men and women have secured from labor organization during hundreds of years were stressed by John F. Frey, secretary-treasurer of the Metal Trades Department of the American Federation of Labor, in an address here before Stenographers, Typewriters, Bookkeepers and Assistants Union No. 11772.

Speaking on the history of the labor movement, Mr. Frey traced the development of the principles that underlie the trade union movement of today and showed that many of the principles and practices were successfully employed by free trade unionists of the Roman Republic.

These principles included collective bargaining and an interest in the social and political activities of the day.

The speaker pointed out that wherever influence of the Roman Republic was felt it was developed a desire on the part of the workers to organize into trade unions resembling similar to the organizations of the present day. This condition was changed when Rome became imperialistic and the empire replaced the republic. Slave labor became a vital issue in the efforts of the Roman trade unions to better the conditions of their members. He cited the recent archaeological discovery of records of trade union agreements in the City of Ancient Rome. These records indicate that the business agents and union officials of that day were thoroughly prepared and able to safeguard the interests of their constituents.

During the mediaeval ages, Mr. Frey said, trade union activity was at a minimum, but the underlying principles of the movement were never lost and were always stressed by John F. Frey, secretary-treasurer of the Metal Trades Department of the American Federation of Labor, in an address here before Stenographers, Typewriters, Bookkeepers and Assistants Union No. 11772.

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During the mediaeval ages, Mr. Frey

4,000,000 GET JOBS BY CODES; HOURS CUT AND PAY RAISED FOR 20,000,000

Washington.—In a report on its achievements since last June 16, the National Recovery Administration claimed that 4,000,000 workers had been re-employed, with reduction in hours of work and rises in pay scales for all or for fully five times that number.

The report declares that during its first six months the National Recovery Administration has placed from eighteen to twenty million out of an estimated twenty-four million of industrial workers under codes of fair competition established by virtue of the National Recovery Act, with minimum wages and minimum wage rates fixed and destructive trade practices eliminated.

The report refers to the code plan as "national industrial self-government and says it has been organically achieved six months after President Roosevelt signed the Recovery Act. Referring to the combined achievements of the President's re-employment agreement, sent out on July 24, and the NRA codes, the report said:

"As a result of this vast administrative process, the last accurate reports show that some 4,000,000 workers have been restored to gainful employment. The basic wage of nearly five times that number in factories, stores and mines has been raised. Coupled with drastic reduction in maximum working week, this has brought about a great improvement in working and living conditions throughout the country.

"The whole program was put through by affording American business for the first time in history an organized effort to cooperate for the elimination of practices which were being condemned from every side and which were destroying business itself.

"Not only did the national trade life at its lowest ebb, the NRA afforded the means and the spirit not only of pulling out of the depression, but of basing a state of economic security on a new security.

The report singles out the cotton textile industry as one of the most outstanding achievements secured for the workers by means of code regulations on hours and minimum wage rates.

"Dramatic achievements were disclosed when recent data of the operation of the President's re-employment agreement, sent out on July 24, and the NRA codes, the report said:

"As a result of this vast administrative process, the last accurate reports show that some 4,000,000 workers have been restored to gainful employment. The basic wage of nearly five times that number in factories, stores and mines has been raised. Coupled with drastic reduction in maximum working week, this has brought about a great improvement in working and living conditions throughout the country.

British Union Official Wins $36,000 Damages In Libel Suit Against Communist Publisher

London, England.—After a trial lasting five days Before Mr. Justice Horridge, a special jury awarded a verdict of 7,200 pounds (about $36,000 in 1934-900 at the current rate of exchange) to Ernest Bevin, general secretary of the Transport and General Workers' Union in his suit for libel against the Utopia Press, publisher of the Daily Socialist, a Communist paper.

The suit was based on an article which the Daily Worker published during the London bus men's strike of 1931 which charged that Mr. Bevin had in reality sold out the workers and acted in favor of the bus company, "maneuvering Bevin betraying a little cheap but all the time consciously working to secure the maintenance of wretched conditions by the men," adding:

"More clearly than ever Bevin stands revealed as the wage-cutting ally of Lord Ashfield," chairman of the London General Omnibus Company, the wages of whose employes were in controversy.

In commenting upon the verdict, the Record, the official organ of the Transport and General Workers' Union, paid a glowing tribute to the policy by means of which Mr. Bevin has strengthened the union, developed an industrial and political outlook among the membership, and improved industrial conditions and wages.

"This policy is in line with the facts of history, which show that the labor movement has been built up and developed to its present strength by the workers who, through their united effort, have been able to enjoy better wages and conditions than the unorganized.

"This policy clashes violently with that of the Communist party, who hold that an essential condition for a revolutionary situation is the intensification of the misery and poverty of the workers.

"All reforms are anathema to the Communist, and trade union leaders are 'reformists' who must be destroyed as obstacles to the revolution. In our view the policy of the Communist Company, the Communist party, and the workers of this country would be acting very differently if ever they succeeded in their aim of the complete ruin of the trade union and labor movement."

$3,300,000 Public and Civil Works Fund Provides Jobs for 5,000,000 Idle

Washington.—Officials of the Public Works and Civil Works Administrations estimated that up to December 31 at least 5,000,000 men and women were at work on projects financed from the $3,300,000,000 Public Works Fund, which was made available by the PWA and civil works funds obtained jobs through the CWA. 12,500,000,000 has been allotted for the forms, while the "quick relief" administration has received fifty hundred million of original appropriation of $3,500,000,000.

It has been stated that PWA will spend $1,500,000,000 of the $3,300,000,000 for further weeks, the computation being based upon the monthly reports of the administration, which show that not only for members of workers but also for the benefit of any kind related to them.

$324,428,488 SPENT IN FEDERAL RELIEF

$500,000,000 Fund Will Be Exhausted by April—Relief Administrator Says Another $100,000,000 Will Be Necessary to Meet Demands to June 30.

Washington.—During the last seven months of 1933 the United States Government expended $324,428,488 for the relief of the destitute unemployed and their families.

Congress made $500,000,000 available for this purpose, half of which was to match State and municipal relief expenditures and the remainder to be used in emergency projects. This policy has been followed out by Harry L. Hopkins, of New York, administrator of the Federal relief activities, appointed by President Roosevelt.

When Mr. Hopkins took office on May 22 it was estimated by officials of the Reconstruction Finance Corporation that 4,000,000 families representing a total of about 12,000,000 persons were receiving relief from public and private funds.

By June 30 grants aggregating $51,281,721 had been made to forty-five States and the Territory of Hawaii. These were made through the public all of the States and four Territories.

Discretion granted to the States to meet emergencies with which they were unable to deal even in part, included the grants made to States from the Federal fund were allotments amounting to $19,000,000 for the relief of transients, $1,731,491 for educational programs, and $372,844 for self-help and barter.

The other allotments were expended by the States in accordance with the administrator, for direct relief, work relief, and in the purchase of surplus foodstuffs for distribution to needy families, which began September 29, and was for the time being carried on by the Federal Surplus Relief Corporation, also headed by Mr. Hopkins, since its creation for the purpose on October 1.

It was announced on December 27 that 14,648,194 pounds of such surplus foodstuffs, including flour, butter, pork, dried apples and beans, had been distributed to supplement and improve relief standards in various parts of the country, and that 2,000,000 pounds of other necessary articles also have been provided, and additional requests for milk in their homes.

Mr. Hopkins estimates that the unexpended balance of $175,871,513 of the Emergency Relief Fund will last until April 1, but additional funds will then be required to carry on unemployment relief until June 30, the end of the fiscal year.

The original appropriation of $500,000,000 for relief and the work provided was enthusiastically advocated by the American Federation of Labor.

LONG HOURS AND LOW PAY IN GROCERY CODE

48-Hour Week and $10 to $15 Minimum Wage Imposed on 1,000,000 Employes

Washington.—President Roosevelt's signature to the NRA retail food and grocery code of fair competition made effective on January 6. Hours for wolves 48,000 grocery workers who are said to employ more than 1,000,000 persons.

The code defines the retail food and grocery trade as selling these goods to the consumer, and includes the exception for the selling of confectionery in conjunction with the operation of bakeries, milk from house to house, and the sale of food in restaurants for consumption on the premises.

In a gesture to protect consumers from profiteering, it was decided that no food or grocery retailer shall increase the price of any commodity sold after January 6, over the price on June 1, 1933, by more than is made necessary by the increase in wholesale production, operation, replacement, and invoice cost of merchandise, paid by taxes and other causes arising since the latter date from the National Recovery Act and the Agricultural Adjustment Act. This phrasing sounds melodious and encouraging, but the code contains no effective provisions for protecting consumers from the profiteering which it forbids.

Both the maximum hours and minimum wages provided in the code are disappointing to labor as wholly out of touch with the declared purpose of the Recovery Act to provide employment for the jobless and increase mass purchasing power by raising wage rates.

The code establishes the maximum 48-hour week for all work, limited to 40 hours per day, with many employes excepted from the general rule. Basic weekly minimum wage rates, from $10 in places of less than 2,500 population to $15 in those of more than 250,000.

Retailers are compelled to keep their stores open sixty-three hours per week, unless they were open less than sixty-three hours before June 1, 1933. If stores were open less than continue to operate on the shorter hour schedule the code permits them to do so.

VETERANS ASSOCIATION ADOPTS UNION LABEL

New York.—The national executive committee of the Veterans of Foreign Wars Association, with headquarters in New York City, made the use of the union label mandatory on all printed matter of the organization, declared Commander Jack Arnold of the Association. The last national convention of the Association adopted the following resolution as a part of its constitution: "Neither the organization, nor any of its subordinate units shall at any time participate in a strike or lockout against labor."

The association is a non-partisan veterans' political organization with branches in every Congressional district, extending into other States. All members are ex-service men who served overseas and were voting citizens of the United States.

BUSINESS PLANS STRIKE TO KILL COMPENSATION

Havana, Cuba.—Cuban industrial and commercial concerns, largely owned and controlled by United States capital, threatened a nation-wide strike by closing the doors of their establishments unless the Government suspends the recently enacted workmen's compensation law, which provides that employers not only for accidents to workers but also for illness of any kind suffered by them.

VETERANS' DEMANDS OUTLINED BY HAYES

American Legion Head Says Technical Proof of Disability Required by Economy Act Victimizes Many Who Received Battlefield Injuries.

Washington.—The announced drive of the American Legion for Federal legislation favorable to World War veterans and their dependents gives interest to a recent statement by Edward A. Hayes, national commander of that organization, on the subject of veterans' compensation.

Declaring that the attitude of the Legion toward compensation has been misunderstood, Mr. Hayes said:

"For several years confusion has arisen relative to the Legion's attitude that proper provision be made for men disabled by reason of their war service. After years of effort the Legion's sincere expression of the Legion can be stated with no possibility of confusion or misunderstanding.

Disabled Men Victimized

"Men disabled in the line of duty at the battlefield were victimized by a law which they were justly entitled. Recent years have seen an expenditure for compensation payments from men who were actually disabled in line of duty, although the organization which insisted upon technicute professed sincerity when they stated that nothing should be taken from men actually disabled in service, or by reason of injuries suffered on the field of battle.

"The Legion speaks as one man in demanding that these men who were disabled and thousands of whom are notual battlefield casualties—be restored by the status existing prior to the passage of the so-called Economy Act.

Hospitalization for Needy

"We reiterate our assertion that it is the responsibility of the Federal Government to provide adequate hospitalization for any veteran actually disabled who is not reasonably able to care for himself.

"There is no opposition on the part of the Legion to any of the constituted authorities of this Government, this believed United States of ours. There will be cooperation, but when right must be stated, if the Legion believes that such and such a principle is right, we will state that principle as the Legion sees it, and we will do so in the right and hope that the constituted authorities will see with us.

"Certainly we cannot agree with the contention that one who has served his country in time of emergency, and abandoned by the country when he finds himself disabled and in need of hospitalization.

Technical Disability Proof Criticized

"Thousands of our comrades whose names are on the battlefield roll of honor were recognized as due to their service are now being cut off because they cannot, under technical rulings, prove it.

"Men and women with shattered nerves, memory gone, with no means of adducing evidence which for 10 years was not required, are now being advised that the beloved Government which they served no longer recognizes their disability which was incurred due to their service.

"It is our studied belief that every American citizen who will take the time to learn and understand the problem of these so-called presumptive cases will insist with the Legion that those who served their country in time of need have their compensation restored.

Widows and Orphans

"We have always insisted that the widows and orphans of the veterans who have died should receive the protection of their Government. There are but few indeed who will disagree with this point and fewer still who would like to see these dependents of our dead have laid down their lives for the perpetuation of the American Government forced to ask alms or become the objects of private charity."

PENNSYLVANIA R. R. GETS LOAN OF $77,000,000

Government Advances Huge Fund for Electrification and Equipment—45,000,000 Man-Hours of Direct Employment in 1934 Violated.

Washington.—The Public Works Administration loaned $77,000,000 to the officials of the Pennsylvania Railroad. The contracts were signed by Secretary of the Interior Ickes, who is also Public works administrator.

It was explained that $46,000,000 of the $77,000,000 will be used in completing the electrification of the Pennsylvania Railroad between New York and Washington, and $23,000,000 for building 7,000 new freight cars and 100 electric locomotives, supplying what the statisticians call more than "45,000,000 man-hours of direct employment in 1934."

This estimate of 45,000,000 man-hours of employment," Secretary Ickes said, "includes only the work to be done by the employes of the Pennsylvania Railroad and by the employes of manufacturing concerns from which it will buy. It does not take into account the great amount of heavy and industrial employment that will be created by producing, processing and transporting raw materials, for no accurate estimate of that can be made.

"The work will begin immediately, for the Pennsylvania has plans and schedules of work prepared on a job that is fully engineered and ready, and which was compelled to suspend because of economic conditions."

Wages and hours of work for the Pennsylvania's own employes will comply with the provisions of the Railway Labor Act, while wages to be paid by outside concerns will be governed by NRA codes.

The Government charges the railroad company 4 per cent interest on the loan, beginning with the second year. The banks refused to make the loan.

ROOSEVELT PLANS AID TO SMALL BUSINESSES

Washington.—It was announced at the White House that methods were being considered to protect small business concerns from alleged hardships under the NRA and to provide a "court of appeals" by the President under the Recovery Act. Secretary Ickes also stated that it might be found advisable to create a board to which complaints against the Recovery Act might be directed by the National Labor Board, which has been functioning in these fields since and approval.

SENATOR DAVIS ASKS SHORTER WORK WEEK

Former Secretary of Labor Declares 30-Hour Week Is too Long When Surplus Products Are Destroyed and Output Restricted to Increase Prices.

Washington.—The hours of labor should be reduced to whatever extent is necessary to bring the unemployed army to work with wages sufficient to purchase the good things of life which are now destroyed in the attempt to bolster prices for the benefit of those who control the industry and agriculture, according to James J. Davis, United States Senator from Pennsylvania.

In a recent statement on the length of the labor week, Senator Davis, former secretary of labor under Harding and Coolidge, and a prominent Republican who was Secretary of Labor in the cabinets of President Harding and President Roosevelt's administration, said:

"We have heard recently a lot of intolerant talk about shortening the hours of labor. I believe that the hours of human labor should be shortened as much as possible. Eight hours is too long in many cases. Thirty hours in a plate mill, a glass factory, or a coal mine, if six hours is enough.

Fallacy of Mass Production

"Thirty hours a week is too long to work to fill warehouses with goods that we do not sell; too long to work to raise corn to burn; too long to work to plant cotton to be plowed up; too long to turn them into soap and fertilizer; too long to work to plow under every third row of cotton; too long to work to produce goods to export to foreign countries who borrow from us the money to pay for the goods and then refuse to pay back the money they have borrowed; too long to work to produce goods that are not needed and are not wanted; and that cost all the way from three to twenty times as much to sell as it does to make; too long to work to produce goods for profit where there is and can be no profit.

"Thirty hours a week is too long to waste on false scales of production, but 30 hours or 40 hours is not too long to work on the right scales of production and distribution.

"Overproduction" Causes Panic

"We have heard much of late about overproduction in America. The accumulation of huge surpluses has driven people into a veritable panic of fear. This is not difficult to explain. Everywhere we turn we see wheat, cotton, milk, live stock, automobiles, manufactured products, food, fuel, consumed, and witnessing the rapid increase of these material surpluses, we feel that we are approaching the question of production.

"There are but three possible ways to handle our economic surplusage. We may destroy it, export it, or consume it. We have tried the first one with the calls for positive action.

Destruction of Farm Products

"The second way of consumption has a plan. I may differ with him, but even though I do, I am willing to give him the benefit of the doubt. I feel that if this plan is applied permanently the result of the destruction of production of American farmers, wherein tens of thousands of our people and millions of our children are fed.

"We have surpluses enough to transport Abyssinia and yet still have a comfortable well-being of every man, woman and child in the United States. In the same time we should be content when we sell abroad at lower prices than at home, provided we can supply both the United States and Congress.

"The communism of self knows as big business claimed that banks and wealthy people generally will not provide the money for capital expansion and reluctancy of industry because the providers of capital and banks are seizing the power of big investors to continue their predatory practices which have resulted in the greatest earnings are large enough to permit greater investment.

To this strike of the Wall Street parasites the Federal Trade Commission, established by the act, replies that honest investors and honest business men have been cured by the measure. Indeed, the commission gave its outstanding approval of the act as a means of protecting the public from the robbery of the public by the sale of worthless securities.

Characterizing the act as "perhaps the most constructive and far-reaching reform legislation passed by the Seventy-third Congress," the report said:

"The commission believes that a strict enforcement and administration of the act will prevent a large part of the frauds that have hitherto been practiced upon the investing public by sale of worthless securities.

"It will be the purpose of the Federal Trade Commission, under authority of this act, to prevent further exploitation of the public by the sale of fraudulent and worthless securities through misrepresentation, to cause to be placed adequate and true information before investors, and to protect the enterprise seeking capital by honest representations against the competition made by another enterprise which practices promotion and misrepresentation.

"It will be the commission's duty to administer the act so as to give purchasers of securities full and accurate information. It will be the duty under the act nor its administration will offer any serious hindrance to the honest financing of legitimate business.

"Even speculative securities may still be offered if the purchaser will be as free as ever to buy them, since this act is not a bill to protect investors from the judgment of the Government for a that of the individual investor as to the wisdom or advisability of making any particular investment."

KELLY URGES SHORTER HOURS AND HIGHER PAY

Pennsylvania Representative Says Larger Mass Buying Power Is Necessary for Recovery

New York.—Shorter hours, higher wages, and control of production and prices are necessary, under the National Recovery Act, if its main object to increase mass purchasing power is to be achieved, Representative Clyde Kelly of Pennsylvania told members of the Economic Club here in an address on economic conditions.

In addition to these three changes, Representative Kelly included the following steps as necessary to make the recovery program effective: Revision of the fair practice codes more in line with the public interest; administration of the NRA by a board of twenty-five men as Congress intended, with full right of the workers to choose the form of their organizations and their representatives; a comprehensive program for the planning and research agency planning efforts made through separate codes, and the collection of complete statistics on production, prices, employment and payroll.

Representative Kelly said the Recovery Act does not give either employers or labor the right to combine that is called it a three-way agreement with the public interest, and as empire in the public interest.

COAL OPERATORS ACCUSED OF VIOLATING NRA CODE

Kansas City, Mo.—Charges of violating the price schedule of the NRA fair practice code for the bituminous coal industry were filed in the Federal Court here by W. L. Vandeventer, United States District Attorney, against J. S. Moore and his son, S. Moore, mine operators of Putnam County, Ill.

One count charged the Moores with selling coal at a price of $2.50 instead of $1.87 a ton instead of $2.50 a ton, which is the price set for the mine under the code.

Mr. Vandeventer said the penalty for violation of the code is a fine of $500 or not to exceed six months, or both.

STRIKE WINS 5-CENT CUT IN PRICE OF GASOLINE

San Juan, Puerto Rico.—The controlling and trash drivers strike and strike of the workers in the sugar mills and refineries was called which lasted nine days, ended with victory for the workers. The strike was for a 10 cent per hour increase in wages, and the reduction of the price of gasoline from 10 cents per gallon to 5 cents.

Labor Leaders Jailed and Property Confiscated by Hitler's Government

Nazi Terrorism Also Drives 60,000 Jews Into Exile—Green Urges Appointment of Local Committees to Systematize Boycott of German Goods Until Barbarism Is Stopped.

Washington.—Added vigor to American labor's boycott of German goods and service to the German Government stops its persecution of trade unionists, social democrats and Jews was urged by William Green, president of the American Federation of Labor, in a statement giving additional facts regarding the abominable terrorism exercised by Hitler, Nazi dictatorship. He recital included maltreatment and jailing of labor officials and wholesale confiscation of unions and social democratic property.

Beginning his indictment with Hitler's May Day brutality, Mr. Green said:

"The National Labor Day' of May 1, when hundreds of thousands of workmen were driven to participate in the official demonstration by the threat of instant dismissal served as a prelude to the occupation of all trade union offices by the Nazis on May 2d.

"The National Labor Day was used in the form in which they had hitherto existed to proclaim, in the name of a 'Committee for the Protection of German Labour,' which no one had heard of until that moment.

Union Leaders Arrested

"It did not help the German General Trade Union Federation that it had called on the workers to participate in the Hitler demonstration of May 1st. Its leaders were occupied, arrested, and the trade union leaders maltreated.

"The Federation's property was taken over the whole trade union apparatus. We give below a few documents showing the methods that were used in these attacks on the trade unions:

"The National Socialists take over the trade unions: the leaders arrested; action through the Reich.' (Handlinge in der Deutsche Allgemeine Zeitung, May 2, 1933.)

"Yes, we have power, but we have not yet won the whole nation. We have not yet won your workers a hundred per cent." (From the manifesto issued by Dr. Ley, May 2, 1933.)

"Ownership of the free trade unions and creation of a Labour organization: storm troopers occupy the trade union buildings; fifty trade union leaders arrested; the second stage of the National Socialist revolution." (Frankfurter Volkischer Beobachter, May 3, 1933.)

Jail Union Officers, Ley Says

"Who is the man in charge of that splendid organization, builded through more than half a century, yes, through many, many hundreds of years in Germany? Well, here he is:

"I'll tell you something in passing that Dr. Ley was never a worker, but in his capacity as director of the Bayer works, I. G. Farbenindustrie, A. G. (the chemical trust) was a highly paid official of the employers' association. He was a large son when he left."

Quoting from the reports of the International Labour Office we find these words:

"The Leipzig and the Grassmann party hypocritically declare their devotion to the cause of all labor. But it is better that they should be in prison.

"These are the actual words of Dr. Ley. (Reports of the International Labour Office, pages 371-372.)

Social Democrats' Property Confiscated

"Confiscation of the Social Democratic Party's property. The next step was the confiscation of all property belonging to the Social Democratic Party and the Republican Party.

"Berlin, May 16, 1933. An order has been issued for the confiscation of all the property of the Social Democratic Party and of its branches, as well as of the Reichsbanner and its press.

"The ground for confiscation is the great number of cases of abuse which have been discovered as a result of the taking over of the trade unions and the labor banks by the National Socialist Factory Organization. In addition to the confiscation of the property of the Social Democratic Party, it must be added that the property of all the organizations connected with the party is also confiscated.'

"On the same date all money belonging to the Social Democratic Party in local cooperative societies, publishing concerns and in the Labour Bank was confiscated. The offices of the Social Democratic organizations, of the Reichsbanner and of the party press were closed.

"The official Prussiische Pressedienst announced that the Leipzig trade union leader and Social Democratic member of the Reichstag, Paul Lobe, was prosecuted for 'breach of trust and fraud' on the ground that 'special contributions of trade union funds had been used for purposes other than those for which they had been collected.'

Persecution of Jews

Evidently having in mind the 60,000 Jews whom James G. MacDonald, chairman of the National League of Germany for Refugees from Germany, declares have fled from that country to escape Hitler's barbarism, Mr. Green continued:

"This persecution and destruction of the bona fide German trade union movement was only equaled, and perhaps exceeded by the persecution of the Jewish people residing in Germany, merely because they were Jews.

"This action on the part of the Hitler regime is a verdict that shocks the consciences of the entire world.

"It is particularly revolting to trade unionists, because the officers and members of organized labor had as sacred the principle that all men are created equal, that they are endowed by their Creator with certain inalienable rights that among these are life, liberty and the pursuit of happiness.

"Furthermore, the American Federation of Labor holds that there shall be no discrimination against any race, creed or nationality.

"We protest vigorously against the oppression of the Jewish people, or any other nationality, merely because of race, creed or nationality.

Vigorous Boycott Urged

"I ask the officers and members of conventions assembled by the American Federation of Labor to take such steps as may seem necessary. In order to make the boycott of German goods and German service as ordered by the convention effective.

"I suggest that committees be appointed to deal with the problem in accordance with the economic, social and business requirements of each community.

"Let these committees unite with other committees created for the same purpose representing other groups of people whose opinions are in harmony with the action of the convention of the American Federation of Labor.

"If the boycott ordered by the convention can be made effective, the interests of the German workers, the protection of the rights of labor and the enjoyment of the rights and privileges granted to the German people and entitled in Germany, may be safeguarded."

Trade Commission Declares Securities Act Is An Effective Stock Fraud Curb

Washington.—Positive denial that the Federal Securities Act of 1933 hampers in any way the "legitimate financing of legitimate business" is the Federal Trade Commission's answer to Wall Street's recent barrage against the measure in testimony before both the White House and Congress.

The "communism of self" known as big business claimed that banks and wealthy people generally will not provide the money for capital expansion and reluctancy of industry because the providers of capital and banks are seizing the power of big investors to continue their predatory practices which have resulted in the greatest earnings are large enough to permit greater investment.

To this strike of the Wall Street parasites the Federal Trade Commission, established by the act, replies that honest investors and honest business men have been cured by the measure. Indeed, the commission gave its outstanding approval of the act as a means of protecting the public from the robbery of the public by the sale of worthless securities.

Characterizing the act as "perhaps the most constructive and far-reaching reform legislation passed by the Seventy-third Congress," the report said:

"The commission believes that a strict enforcement and administration of the act will prevent a large part of the frauds that have hitherto been practiced upon the investing public by sale of worthless securities.

"It will be the purpose of the Federal Trade Commission, under authority of this act, to prevent further exploitation of the public by the sale of fraudulent and worthless securities through misrepresentation, to cause to be placed adequate and true information before investors, and to protect the enterprise seeking capital by honest representations against the competition made by another enterprise which practices promotion and misrepresentation.

"It will be the commission's duty to administer the act so as to give purchasers of securities full and accurate information. It will be the duty under the act nor its administration will offer any serious hindrance to the honest financing of legitimate business.

"Even speculative securities may still be offered if the purchaser will be as free as ever to buy them, since this act is not a bill to protect investors from the judgment of the Government for a that of the individual investor as to the wisdom or advisability of making any particular investment."

NATIONAL LABOR BOARD'S INFLUENCE IN SETTLING DISPUTES EMPHASIZED

Washington.—The important work of the National Labor Board in adjusting industrial disputes arising under codes of fair competition under the NRA and the National Industrial Recovery Act was stressed in a report on the first six months of its existence by the labor system made public by the NRA.

Referring to disputes under both the President's employment agreement and the codes themselves, the report said:

"Meanwhile, some of the agencies concerned with NRA had been busier than the National Labor Board, created by the President on August 5, with Senator Robert F. Wagner as chairman. In an incredibly short time the national organization was functioning to settle labor disputes growing out of the rapid shift to entirely new relationships between employers and workers.

"Before terms of codes could be decided there had been, in fact, already hundreds of strikes or threats of strikes and gross violations of codes which labor leaders found themselves helpless to forestall or even discuss. Thus it became clear that the National Labor Board was not the only agency established in the principal industries, and the President issued an Executive order extending the duties and functions of the national board."

READING SOCIALISTS LOSE CITY CONTROL

Reading, Pa.—The first of January witnessed the retirement of the last of the Socialists who at one time controlled every office in the city government here.

Six years ago, J. Henry Stump, a cigarmaker, was elected Mayor on the Socialist ticket. Two years later the Socialists went into office as members of the City Council, James F. Ehrhart was elected president of the Pennsylvania State Federation of Labor, a member of the House, and Oswald W. Snyder, a state lawyer. Two years later two more Socialists were elected to the Council, and for five years the five Socialists had absolute control of the city government.

In 1932, a fusion movement carried the Republicans back into power, but November defeated the republican Socialists candidate of the Council and left the Socialists in the position that while the Socialist members were in office the municipal debt had increased from $2,150,000 to over $4,000,000.